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INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY

RUCNNSG/NUCLEAR SUPPLIERS GROUP COLLECTIVE PRIORITY

RUEHUNV/USMISSION UNVIE VIENNA PRIORITY 1632

RUEAIIA/CIA WASHDC PRIORITY

RUCNDT/USMISSION USUN NEW YORK PRIORITY 6864

RHEBAAA/DEPT OF ENERGY WASHINGTON DC PRIORITY

RUEKJCS/JOINT STAFF WASHDC PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

RUEKJCS/SECDEF WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 002399

SIPDIS

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TAGS: PREL PARM TSPL KNNP ETTC ENRG TRGY IN

SUBJECT: ASSISTANT SECRETARY BOUCHER TELLS INDIAN MEA: WE
MUST STICK TOGETHER IN VIENNA

REF: NEW DELHI 2319

Classified By: Political Counselor Ted Osius. Reasons: 1.4(B, D).

¶11. (C) Summary: In a September 1 meeting with Indian External Affairs State Minister Sharma, Assistant Secretary Boucher stressed the importance of political engagement in Nuclear Supplier Group members' capitals to make clear what was at stake at the upcoming NSG plenary in Vienna. Boucher also urged the Indian government to take steps now to fulfill India's commitments pursuant to a Presidential Determination under the Hyde Act. These steps would add momentum to U.S. lobbying efforts. Minister Sharma promised that Indian Ambassadors in NSG capitals were delivering "tough diplomatic messages" that underlined India's non-proliferation commitments while stressing that efforts to impede consensus would have negative effects on bilateral political and economic ties. End Summary.

SHARMA: THE U.S. IS THE SHERPA AT THE NSG

¶12. (C) State Minister for External Affairs Anand Sharma told visiting Assistant Secretary Richard Boucher on September 1 that India hoped that the new draft India-specific exception in the Nuclear Suppliers Group (NSG) would satisfy skeptical NSG members. Sharma stressed that in the run-up to the August 21-22 NSG plenary in Vienna, India had made extensive efforts to respond in a transparent fashion to non-proliferation concerns. New Delhi was surprised in Vienna that some member states were interested in reopening these same issues. Sharma said that India had stressed its spotless nonproliferation record and, pointing to the July 2005 Joint Statement, he said India had reiterated its commitment to take necessary steps to come into the non-proliferation mainstream. Civil nuclear cooperation had become the most extensively debated public issue in India's history and Prime Minister Singh had risked his government on the issue. In Sharma's view, there should be no doubt about India's commitment.

¶13. (C) Turning to India's game plan for the next plenary, now scheduled for September 4-5, Sharma noted that "all the big powers" were on board and said that India was satisfied that some of the initial skeptics were also ready to join consensus, pointing to Canada, Japan, Brazil and South Africa. Acknowledging that the need for consensus gave any member a potential veto, he said India had reached out directly to New Zealand, Ireland and Austria, among others. India had stressed its non-proliferation commitment to these capitals while noting important "geopolitical concerns;" nuclear energy would help address India's energy security

needs while reducing global warming and climate change threats. Sharma shared his assessment that even these "smaller" countries would gain nothing by stalling progress on the NSG exception; the fact that the U.S. was the "sherpa" for this process and that other nuclear powers supported it should count for much. Sharma thought that Foreign Secretary Menon would be leading India's team in Vienna.

BOUCHER: WHAT IS NEEDED FOR SUCCESS IN VIENNA

14. (C) Boucher underlined that the U.S. and India would need to work closely together in the coming week to be successful in Vienna. It was inevitable that there would be some resistance in Vienna because we were asking the NSG to change its rules. The NSG members who were skeptical about making such an exception for India were able to exercise a disproportionate influence over NSG considerations given the consensual nature of the organization. Specific non-proliferation concerns had to be addressed, and both the U.S. and India had done that. What was even more important, Boucher stressed, was that the U.S. and India have to make clear at a political level in capitals that a broader perspective was needed on what was at stake. The U.S. was committed to high-level diplomacy that would stress that the U.S. and India had addressed non-proliferation issues and that NSG members needed to think carefully about what sort of relationship they wanted to have with India.

15. (C) Boucher also emphasized to Sharma that India could help its case at the NSG by taking steps now to make progress

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on the Presidential Determination items listed in Section 104(b) of the Hyde Act. Among these items, Boucher flagged further progress on an Additional Protocol and a forward-looking commitment on adherence to Nuclear Suppliers Group and Missile Technology Control Regime export control guidelines. Taking steps on each of the seven Presidential Determination items in the run-up to the NSG meeting would add significant momentum to lobbying efforts.

SHARMA: WE'RE SENDING TOUGH DIPLOMATIC MESSAGES

16. (C) Picking up on Boucher's point on the need to persuade recalcitrant NSG members about what was at stake, Sharma said that in addition to addressing non-proliferation concerns, India had made clear in its lobbying with members that India's bilateral political and economic relationships would be affected by whether states impeded efforts in Vienna. Given the environmental concerns that many of the NSG "skeptics" shared, India had also argued that failure to permit India to develop nuclear energy fully meant New Delhi would have to rely increasingly on coal, with corresponding negative effects on global warming. India was sending in Ambassadors in capitals again this week with "tough diplomatic messages." Sharma was not as forthcoming on whether India would make progress on Presidential Determination items, arguing that India had already taken steps to meet these commitments. Boucher stressed that there was a need to fulfill these commitments.

17. (C) Boucher reiterated the need to stick together in Vienna and to push back against modifications to the draft text of the exception. Some member states would be satisfied by expressing their concerns in a Chairman's statement, while others might object to some aspects of the exception, but would still join consensus. We would need to face down the most recalcitrant member states to preserve the exception. The key was to show the most skeptical that they were isolated. The U.S. was doing everything possible to gain consensus on the exception, Boucher stressed. Sharma said that India was counting on the U.S., but would be clear with NSG "skeptics" about the stakes in Vienna.

¶8. (U) Assistant Secretary Boucher did not have the opportunity to clear this message.

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